

Public Hearing on the

Fiscal Year 2021 Annual Comprehensive Financial Report (ACFR)

Testimony of

Kevin Donahue
City Administrator

Committee of the Whole
Phil Mendelson, Chairman

February 3, 2022

- 25th consecutive **clean audit**
- 7th consecutive year with **no material weaknesses or significant deficiencies**
- 60 days **cash on hand**
- Fully funded **pension and retiree health care**
- **Bond ratings** remain strong

Our Five Guiding Principles During the Pandemic

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Maintain **core government functions** by focusing on the **health, well-being, and safety** of DC residents and businesses.



Maximize resources needed for the **immediate public health** response to COVID-19.



Maximize resources needed for our **community members hardest hit** by the COVID-19 public health emergency.



Maintain stability for our the District Government **workforce**.



Don't lose ground on key **District priorities**.

Putting Our Guiding Principles into Our Covid Response

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Meal distribution
2.1 million school meals distributed across 48 sites citywide, plus 3 million meals for our seniors



Free, robust testing

Provided 800,000 PCR and rapid tests and vaccinated 627,000 DC residents with at least one dose of the COVID-19 vaccine

Rental assistance
\$352 million in rental and utility assistance to District residents impacted by the pandemic, including more than 50,000 families



Contact tracing

Over 500 contact tracers hired and over 1.5 million opt-ins to DC CAN, the District's mobile COVID notification system

Remote Learning
Provided 20,000 learning devices for students and connected 25,000 homes to free internet access



COVID-19 RESPONSE



Pandemic Recovery
\$4.76 billion spent on COVID-related costs through grants, contingency cash, CARES and ARPA funds.

Unemployment benefits
\$2 billion in additional federal and local benefits distributed



Health Care Capacity

8 COVID Centers and 88 District-operated vaccination clinics located across DC, including school-based pediatric clinics

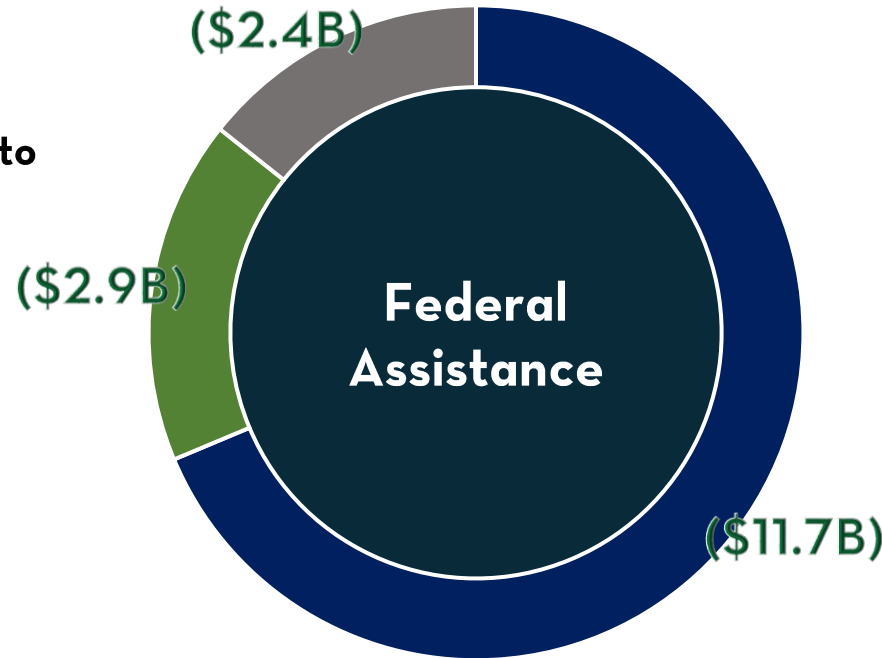
DC Advocated For – and Received - \$17 Billion in Federal Aid

Federal Funding to DC Agencies for Programs to Assist Our Residents & Businesses (\$2.4 billion)

- Grants to DC agencies and local education agencies to support emergency rental assistance, covid testing, vaccinations, homeless assistance services, mental health grants, small business credit initiatives, and lost wages assistance grants

Direct Aid to DC Government to Empower Equitable Economic Recovery¹ (\$2.9 billion)

- Local Fiscal Recovery Fund
- State Fiscal Recovery Fund
- Capital Projects Fund
- Coronavirus Relief Fund



Direct Aid to DC Residents, Businesses, and Nonprofits (\$11.7 billion)

- Economic assistance to DC households through impact payments, pandemic EBT benefit transfers, and funeral assistance
- Assistance to DC businesses and nonprofits through injury loans, paycheck protection, and emergency relief
- Grants to institutes of higher education
- Increases for Supplemental Nutrition Assistance Program (SNAP)
- Pandemic Unemployment Compensation (PEUC)

¹ Does not include allocations from the Infrastructure Investment and Jobs Act.



IMPROVE HEALTH & WELL-BEING

\$259M for COVID-19 Public Health Emergency and **Direct Response Costs**, increase access to **telehealth**, **improve food access**, and **reduce health disparities**



LEAD AN EQUITABLE RECOVERY

\$535M to support **economic recovery** and growth of local businesses, promote a **green economy**, and build **pathways to prosperity**



MINIMIZE LEARNING LOSS

\$125M dedicated to **accelerate learning**, improve **childcare availability** and stability, and ensure **youth safety**



REDUCE GUN VIOLENCE

\$98M investment in **alternatives to 911**, expansion of **violence intervention** strategies, and **gun violence prevention** initiatives



PREVENT EVICTIONS & STRENGTHEN HOUSING AFFORDABILITY

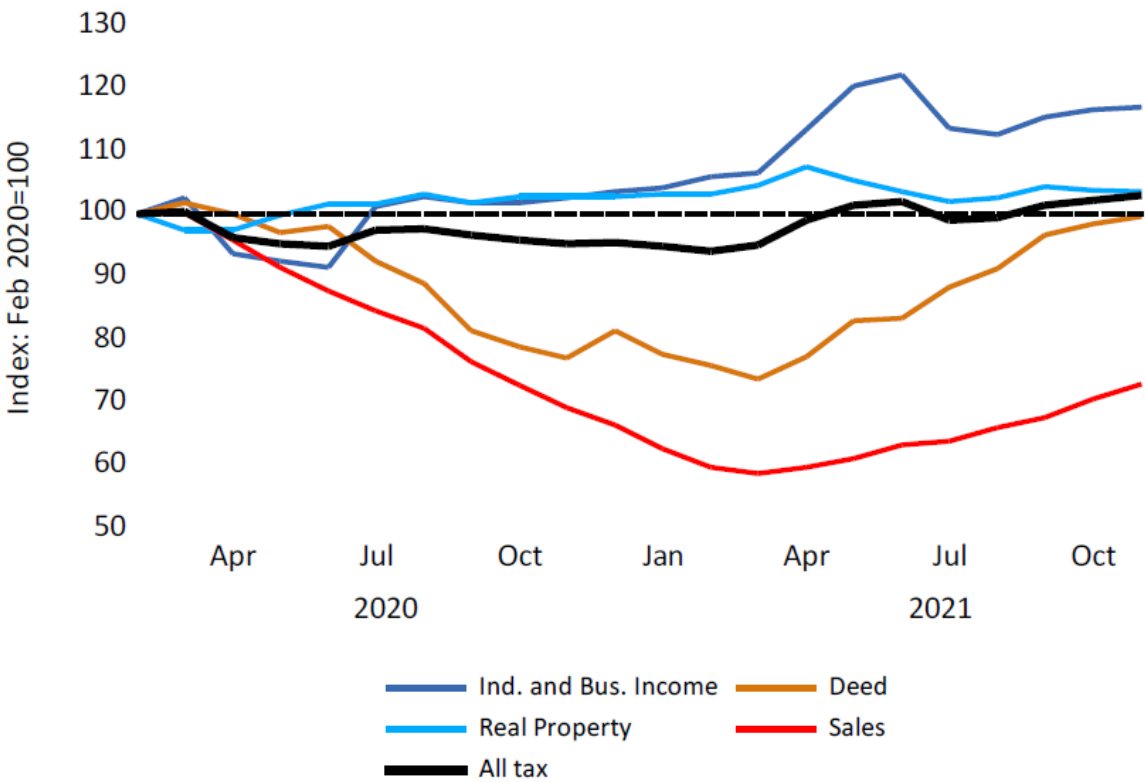
\$490M investment in the **construction and preservation of affordable housing** throughout all eight wards

Significant Challenges on the Horizon



DISTRICT ECONOMY IS IMPROVING, BUT HAS NOT YET FULLY RECOVERED

Tax Revenue Performance since February 2020



Source: Office of the Chief Financial Officer



CHALLENGES LAY AHEAD



Slower
population
growth



Federal
Government
telework



Reduced
WMATA
ridership and
service levels



Telework impact
on Central
Business District



UNPRECEDENTED FEDERAL RESOURCES LET US MAKE BIG INVESTMENTS - BUT ARE ONE-TIME

Looking ahead to FY 2023 – FY 2026 budget formulation, we must plan for a “new normal” and not create an unsustainable fiscal cliff

FEBRUARY 2022

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

SENIOR BUDGET ENGAGEMENT FORUM

Thursday, FEBRUARY 10 - **11:45AM**

BUDGET ENGAGEMENT FORUM

Wednesday, FEBRUARY 16 - **5:30PM**

Forums will be held virtually

For more information and to RSVP, visit budget.dc.gov

Mayor Bowser's proposed **FY 2023 Budget** will be released on **March 16, 2022**



GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

AS OF SEPTEMBER 30, 2021

RESERVE FUNDS

AS OF JANUARY 29, 2022

